

## **FACT SHEET 01-20**

### **Health Insurance Portability and Accountability Act (HIPAA)**

The Health Insurance Portability and Accountability Act (HIPAA) of 1996 requires the health care industry to exchange information electronically in order to process certain administrative practices, billing and payment activity related to the provision of medical services. The law mandates that standardized electronic transactions be used to accomplish electronic exchange of health care information.

As a government payer for medical services, the Health Administration Center (HAC) has dedicated both monetary and human resources to meet all required HIPAA mandates. Through a team approach, the Center has a multi-year-phased plan to provide for the necessary changes to procedures, programming and personnel resources to meet all HIPAA requirements for nine electronic transactions and their related code sets, by October 16, 2002.

In August 2001, HAC will begin receiving and processing institutional and professional health care claims electronically via an automated clearinghouse. Subsequently, it is anticipated that HAC claims processing time for electronically billed claims will decrease and payments to these customers may be issued more quickly.

Health care providers may obtain additional information regarding electronically billing HAC for medical services provided to beneficiaries enrolled in the CHAMPVA or Spina Bifida Program by visiting our web site at [WWW.VA.GOV/HAC](http://WWW.VA.GOV/HAC).